

RESOLUTION NO. 2009-116

A RESOLUTION OF THE LODI CITY COUNCIL AMENDING THE
CITY OF LODI FINANCIAL PLAN AND BUDGET FOR THE FISCAL
YEAR BEGINNING JULY 1, 2009 AND ENDING JUNE 30, 2010,
AUTHORIZING THE CITY MANAGER TO PURSUE FUNDING
THROUGH THE CALIFORNIA COMMUNITIES FINANCING, AND
FAILING THAT, TO EXECUTE A LOAN TO THE GENERAL FUND
FROM UNRESTRICTED PCE SETTLEMENT FUNDS FOR THE
ACTUAL AMOUNT OF THE PROPOSITION 1A LOAN TO THE STATE

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WHEREAS, the City Council adopted the Fiscal Year 2009-10 Financial Plan and Budget on June 10, 2009, by Resolution 2009-76; and

WHEREAS, the State of California adopted its Fiscal Year 2009-10 budget on July 28, 2009; and

WHEREAS, provisions in the State adopted budget call for a forced "loan" of approximately \$1.9 billion of property tax collections from local agencies to the State; and

WHEREAS, the City of Lodi share of the forced "loan" is estimated to be about \$1.2 million, but could be higher; and

WHEREAS, the City Council has considered the impact of a loss of up to \$1.5 million on the City General Fund; and

WHEREAS, the City Council has determined that it must act quickly to mitigate the loss of funds and preserve services to the residents of the City.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Lodi does hereby authorize the City Manager to pursue funding through the California Communities financing for the full amount of the Proposition 1A loan; and

FURTHER, BE IT RESOLVED that, if financing through California Communities is not feasible, the City Council of the City of Lodi does hereby authorize the City Manager to execute a loan to the General Fund from unrestricted PCE Settlement funds for the actual amount of the Proposition 1A loan to the State under the following principal business points:

- Loan amount shall be for the actual amount of the Proposition 1A loan to the State and shall not exceed \$1.5 million;
- Repayment to be coterminous with receipt of payment, or payments, from the State under the terms of the Proposition 1A loan authorized in the state budget for 2009-10, however, term shall not extend beyond June 30, 2013;
- Interest to be paid to loaning fund at the rate that loaned funds would have earned in the City treasury pool; and
- Interest received from the State in excess of the City treasury pool rate to be deposited to the General Fund.

Dated: August 19, 2009

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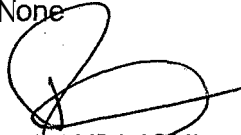
I hereby certify that Resolution No. 2009-116 as passed and adopted by the City Council of the City of Lodi in a regular meeting held August 19, 2009, by the following votes:

AYES: COUNCIL MEMBERS – Katzakian, Mounce, and Mayor Hansen

NOES: COUNCIL MEMBERS – Hitchcock and Johnson

ABSENT: COUNCIL MEMBERS – None

ABSTAIN: COUNCIL MEMBERS – None



RANDI JOHL
City Clerk